



USDA Foreign Agricultural Service

# GAIN Report

Global Agriculture Information Network

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## China, Peoples Republic of

### Agricultural Situation

### Weekly Hongbao

### 2008

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#### Report Highlights:

This report provides a news synopsis of trade policy and agriculture/commodities in China. Trade policy includes: AQSIO: Six Points to Ensure Olympic Food Safety  
Agricultural/Commodities includes: Children Ill after Drinking Contaminated Milk\* Rapeseed Production to Increase in 2008\* Seed Subsidy Increased

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Includes PSD Changes: No  
Includes Trade Matrix: No  
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## Trade Policy

### **AQSIQ: Six Points to Ensure Olympic Food Safety**

On March 31, a Vice-Director of the General Administration for Quality Supervision, Inspection and Quarantine (AQSIQ) emphasized six points regarding food safety during the Olympics. The main points included: completing the development of an inspection standard for Olympic food, confirming the special institute for Olympic food inspection, strengthening control of food sources, increasing supervision and management of the production industry, developing strict inspection of food for the Olympics including the supply companies and the inspection institutions, and strengthening supervision of Olympic sites.

(Source: People's Daily, 04/01/2008)

## Commodities

### **Children Ill after Drinking Contaminated Milk**

On March 26, seventy-five kindergarteners in Guangdong Province of Southern China fell ill after drinking contaminated milk. Later in the week, forty-four more children were reported sick after drinking the same product. No deaths were reported. Inspectors from the Zhuhai center of disease control and prevention found traces of staphylococcus aureus enterotoxin (SE), a type of bacteria, in the milk. The milk was traced back to Zhuhai Weiwei Bigshot Milk Co Ltd. As of March 31, 6,873 boxes of the product were recalled from markets in four major cities in Guangdong Province. (Source: China Daily, 04/02/2008)

### **Rapeseed Production to Increase in 2008**

Industry statistics show Anhui Province's 2008 rapeseed area at 800,000 ha, up 17 percent from 2007. The widely reported January/February snow storm disaster will have some impact on the rapeseed production however, total production is still expected to increase over 2007 due to the increase in expansion area. (Source: Grain and Oils Daily, 03/26/08)

### **Seed Subsidy Increased**

On March 28, the Ministry of Finance stated that the central government will appropriate RMB12 billion (USD1.7 billion) for a seed subsidy program in 2008, up RMB5 billion (USD 700 million) over 2007. The subsidy will cover all 29.3 Mha of rice, 13.3 Mha of wheat (up from 6.67 Mha in 2007), and 13.3 Mha corn (up from 2 Mha in 2007). (Source: Farmer's Daily, 03/29/08)